

**CHAPTER 1080****HORIZONTAL PROPERTY — BOARDS OF ADMINISTRATION***S.F. 2224*

**AN ACT** relating to boards of administration for horizontal property.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 499B.15, Code 2009, is amended by adding the following new subsection:

**NEW SUBSECTION. 1A.** If the form of administration is a board of administration, board meetings must be open to all apartment owners except for meetings between the board and its attorney with respect to proposed or pending litigation where the contents of the discussion would otherwise be governed by the attorney-client privilege. Notice of each board meeting must be mailed or delivered to each apartment owner at least seven days before the meeting. Minutes of meetings of the board of administration must be maintained in written form or in another form that can be converted into written form within a reasonable time. The official records of the board of administration must be open to inspection and available for photocopying at reasonable times and places. Any action taken by a board of administration at a meeting that is in violation of any of the provisions of this subsection is not valid or enforceable.

Approved March 22, 2010

**CHAPTER 1081****MOTOR VEHICLE FRANCHISE REGULATION***S.F. 2234*

**AN ACT** relating to the regulation of motor vehicle franchises.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 322A.1, subsection 5, Code 2009, is amended to read as follows:

5. *a.* “Franchise” means a contract between two or more persons when all of the following conditions are included:

*a.* (1) A commercial relationship of definite duration or continuing indefinite duration is involved.

*b.* (2) The franchisee is granted the right to offer and sell motor vehicles manufactured or distributed by the franchiser.

*c.* (3) The franchisee, as an independent business, constitutes a component of franchiser’s distribution system.

*d.* (4) The operation of the franchisee’s business is substantially associated with the franchiser’s trademark, service mark, trade name, advertising, or other commercial symbol designating the franchiser.

*e.* (5) The operation of the franchisee’s business is substantially reliant on franchiser for the continued supply of motor vehicles, parts, and accessories.

*b.* “Franchise” includes a separate written agreement between the franchisee and the franchiser which materially affects the franchise, whether entered into prior to the date of the franchise, contemporaneously with the franchise, or subsequent to the date of the franchise.

Sec. 2. **NEW SECTION. 322A.18 Duty of good faith.**

A franchise imposes on the parties a duty of good faith in performance and enforcement

of the franchise agreement. “*Good faith*” means honesty in fact and the observance of reasonable commercial standards of fair dealing in the trade.

**Sec. 3. NEW SECTION. 322A.19 Jurisdiction.**

1. A condition, stipulation, or provision in a franchise restricting jurisdiction to a forum outside this state is void.

2. A condition, stipulation, or provision in a franchise providing that the franchisee consents to the jurisdiction of a forum outside this state is void.

3. A civil action or proceeding arising out of a franchise may be commenced wherever jurisdiction over the parties or subject matter exists, even if the franchise limits actions or proceedings to a designated jurisdiction.

**Sec. 4. NEW SECTION. 322A.20 Choice of law.**

1. A condition, stipulation, or provision in a franchise requiring the application of the law of another state in lieu of this chapter is void.

2. A condition, stipulation, or provision in a franchise that the franchise is to be governed by or construed in accordance with the law of another state is void.

**Sec. 5. NEW SECTION. 322A.21 Waivers void.**

A condition, stipulation, or provision in a franchise requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by this chapter or order under this chapter is void. This section shall not affect the settlement of disputes, claims, controversies or civil lawsuits arising or brought pursuant to this chapter by written release or other written document where separate and adequate consideration is offered and accepted.

**Sec. 6. NEW SECTION. 322A.22 Other line-makes.**

A condition, stipulation, or provision in a franchise prohibiting or restricting the franchisee from continuing another line-make at the dealership or adding an additional line-make to the dealership is void. This section does not limit a franchiser from establishing good cause for the termination of a franchise pursuant to sections 322A.2 and 322A.11 on the grounds that the franchisee’s dealership facility is not adequate to accommodate an additional line-make that has been added to the franchisee’s dealership.

**Sec. 7. NEW SECTION. 322A.23 Customer lists.**

A condition, stipulation, or provision in a franchise which requires the franchisee to provide its customer lists or service files to the franchiser is void. This section shall not apply to notification by the franchisee to the franchiser of the delivery of a new motor vehicle to a customer, including information necessary to complete the sale of the vehicle, or to the submission to the franchiser of a claim for warranty parts, recalls, repairs, or services supplied or performed by the franchisee.

**Sec. 8. NEW SECTION. 322A.24 Construction.**

This chapter shall be liberally construed to effectuate its purposes.

Approved March 22, 2010

**CHAPTER 1082****REGULATION OF GRAIN TRANSACTIONS**

S.F. 2299

**AN ACT** relating to grain transactions by regulating grain dealers and warehouse operators, providing for fees, and making penalties applicable.

*Be It Enacted by the General Assembly of the State of Iowa:*

Section 1. Section 203.5, Code 2009, is amended to read as follows:

**203.5 License.**

1. a. Upon the filing of the an application on a form prescribed by the department and compliance with the terms and conditions of this chapter and including rules of the department, the department shall issue the applicant a grain dealer's license to the applicant. The license shall terminate expires at the end of the third calendar month following the close of the grain dealer's fiscal year. A grain dealer's license may be renewed annually by the filing of a renewal fee and a renewal application on a form prescribed by the department. An application for renewal shall must be received by the department on or before the end of the third calendar month following the close of the grain dealer's fiscal year.

b. The department shall not issue a grain dealer's license unless the applicant pays all of the following fees:

(1) For the issuance of a license, all of the following:

(a) A license fee imposed under section 203.6.

(b) A participation fee imposed under section 203D.3A, and any delinquent participation fee imposed under a previous license as provided in that section.

(2) For the renewal of a license, all of the following:

(a) A renewal fee imposed under section 203.6.

(b) A participation fee imposed under section 203D.3A, and any delinquent participation fee as provided in that section.

(c) A per-bushel fee as provided in section 203D.3A, and any delinquent per-bushel fee and penalty as provided in that section.

2. The department shall notify a licensed grain dealer of any delinquency in the payment of a participation fee or per-bushel fee as provided in section 203D.3A. The department shall suspend the grain dealer's license thirty days after delivering the notice unless the licensed grain dealer pays the delinquent fee.

3. The department may suspend or revoke the license of a grain dealer who discounts the purchase price paid for grain nominally for the participation fee or per-bushel fee as provided in section 203D.3A while that fee is not in effect.

4. A grain dealer license which has terminated expired may be reinstated by the department upon receipt of a proper renewal application, the renewal fee, and the a reinstatement fee as provided in section 203.6 if filed, and any delinquent participation fee or per-bushel fee and penalty as provided in section 203D.3A. The applicant must file the renewal application and pay the fees and penalty to the department within thirty days from the date of termination expiration of the grain dealer license.

5. The department may cancel a license upon request of the licensee unless a complaint or information is filed against the licensee alleging a violation of a provision of this chapter.

6. a. Fees for licenses issued The department shall refund a fee paid by an applicant to the department under this section if the department does not issue or renew a grain dealer's license.

b. The department shall prorate a fee paid by an applicant to the department under this section for the issuance or renewal of a license for less than a full year shall be prorated from the date of the application.

2. 7. If an applicant has had a license under this chapter or chapter 203C revoked for cause within the past three years, or has been convicted of a felony involving violations of this chapter or chapter 203C, or is owned or controlled by a person who has had a license so revoked or who has been so convicted, the department may deny a license to the applicant.

3. 8. The department may deny a license to an applicant if any of the following apply: